

DEPARTMENT OF RETIREMENT SYSTEMS

RFP #99-69

**EDIMS PROJECT
EXTERNAL QUALITY ASSURANCE CONTRACTOR**

FINAL

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1 STATEMENT OF WORK

1.1 PROJECT STATEMENT

The QA Contractor provides ongoing advice, counsel and recommendations to the Project Manager, Executive Sponsors and the Strategic Initiatives Manager. The Contractor will provide the services described within this Statement of Work in support of the DRS EDIMS Project.

1.2 THE EDIMS PROJECT OVERVIEW

1.2.1 BACKGROUND:

The Department of Retirement Systems (DRS) administers six statewide public retirement systems, which are subdivided into a variety of plans. The agency also administers the Deferred Compensation and Dependent Care Programs. This includes:

- ❑ \$114 million in contributions collected each month from 262,000 members.
- ❑ \$90 million in benefits paid each month to 96,000 retirees and beneficiaries.
- ❑ \$87 million in annual Deferred Compensation deferrals for 35,000 participants.
- ❑ Historical records on 850,000 current and past members.

During the past several years, DRS has systematically consolidated and reengineered its business systems to better support growing business needs. During planning for that effort, risks associated with paper documents and the potential benefits of imaging and automated workflow on agency operations were identified. Estimates by the Office of the State Actuary indicate an increased workload in members requesting retirement and a growing need to access documents within the member folders as retirement levels increase early in the next decade.

With the agency's success in six major technology implementations and several smaller efforts since 1991, all delivered on-time and within budget, and with a successful Y2K certification coming to a close, the agency feels confident that it has the resources necessary to manage the proposed EDIMS project.

This project is a continuation of long-standing agency business and technology plans. DRS

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contracted for a feasibility study on imaging that was conducted and prepared by Raymond T. Clarke and Associates in 1995. The study was updated in 1996 and reviewed again in 1997.

Summary of Findings from Study:

- ❑ Paper file processing significantly slows the business work process.
- ❑ Paper provides poor disaster recovery ability and puts the agency at great risk.
- ❑ The automated shelving system used to store member file folders is in need of replacement.
- ❑ Major workload increases are predicted by the Office of State Actuary due to the projected number of public employee members eligible for retirement.

The 1997 review showed that since 1995 the agency's business requirements have changed little, except for the growing number of paper documents that are at risk. In addition, during that time, imaging technologies have matured. More options and capabilities are now being offered, yielding more opportunity for optimizing the benefits of an EDIMS.

Summary of Recommendation Based on Findings:

The recommendation of the study is to proceed with an imaging solution and re-engineer and automate the work processes with the following expected outcomes:

- ❑ Improved timeliness and quality of services to active and retired members through more immediate access to retirement information, and automation of manual procedures and decision-making processes.
- ❑ Reduction of a major agency risk through improved disaster recovery capabilities.
- ❑ Elimination of many desk management activities associated with paper distribution and processing.
- ❑ Reduction of costs for storing and handling paper documents.
- ❑ Improved methods for archiving data.
- ❑ Strategic technological positioning for the future. The agency will have the technological infrastructure to be able to electronically communicate data and documents to other State agencies, employers and participants.

Funding Status:

Funding was approved for the 1997-1999 biennium, with a project (allotment) start date of January 1, 1999. The project officially started at this time although opportunity evaluation, preliminary analysis and some development efforts began far earlier than this.

DRS management requested and was granted a one-year delay in EDIMS implementation to conduct a thorough review of the project. The review took into account the latest trends in imaging technology and determined whether the workload figures, efficiencies, and project costs in the 1996 study were still valid or in need of revision. An additional six-month delay aligned legislative funding plans tied with the agency's move to new facilities and infrastructure development which occurred in January 1999.

EDIMS Business Requirements:

- Provide improved disaster recovery for paper and film files.
- Enable agency to improve quality and timeliness of customer services.
- Facilitate providing new customer services (e.g., Web-enabled secured viewing of customer retirement forms via the Internet).
- Enable agency to manage projected workload increases.
- Use proven but leading edge technologies.

1.2.2 PURPOSE OF THE EDIMS PROJECT

The project will implement an Electronic Document Image Management System (EDIMS) with hardware and software that stores, retrieves, distributes and manipulates images to support business and administrative processes, and provide disaster recovery. The intent is to reduce reliance on paper flow within the agency for the large volume of business information now contained and managed solely in the form of paper documents. Imaging of those historical file documents identified as having high probability of being needed in the future will also occur. The “backfile” imaging will provide disaster recovery capabilities for those documents imaged and reduce a significant business risk.

The project will:

- ❑ Contract for initial expertise and staff training to help select the new technologies;
- ❑ Competitively acquire an agency-wide document management system including scanners, servers, large monitors, and desktop memory upgrades and support services to implement the selected system;
- ❑ Evaluate and pilot document management and workflow hardware and software;
- ❑ Provide an initial “basic” automated workflow;
- ❑ Contract for the backfile imaging of approximately 3,000,000 pages of paper for both access and disaster recovery purposes;
- ❑ Implement “customized” automated workflow in all agency business and administrative processes, in phases over a four year period after initial imaging implementation.
- ❑ Provide a back up copy of all imaged files.

2 OBJECTIVES FOR THIS POSITION

The Quality Assurance (QA) Contractor will provide timely, independent and objective reviews of the project and deliverables, identifying and reporting progress and any potential risks. QA provides a source of reliable, independent information to those charged with the oversight of projects.

2.1 HIGH-LEVEL DELIVERABLES –

- Perform periodic reviews and analysis, and provide written feedback on the DRS EDIMS Project to assure that effective project planning, management, organizational structure, risk assessment and controls are being applied to assure project success.
- Provide consultative support to the Project Manager and the Strategic Initiatives Manager in the review, development and implementation of recommended actions based on findings from periodic reviews. Identified issues will be discussed with the EDIMS Project Manager and Strategic Initiative Manager to determine the risk involved and recommend corrective actions.
- Provide an independent and objective evaluation of related activities and their progress toward achievement of the overall project goals, schedule and product quality.

3 PROJECT MANAGEMENT AND ORGANIZATION

The Contractor may, at his or her discretion, perform required work off site using his or her own equipment, or on site using DRS facilities. The Contractor is required to be present at and use DRS facilities to the extent that the fulfillment of the contract requires the Contractor to provide consultation services to DRS employees.

DRS will provide guidance and review to the Contractor regarding progress toward completion of the tasks/deliverables identified in this Statement of Work. The Contractor is responsible for selecting the most efficacious means and methods for accomplishing the services required by the contract.

No employees of DRS will be supervised, or report to, the Contractor. The Contractor will be available as a resource to DRS employees when required and will have access to DRS staff for technical expertise.

The Contractor is responsible for obtaining or possessing any training necessary to complete the contract. The Contractor is responsible for his or her own work schedule,

although DRS can require the Contractor's attendance at specified meetings or conferences.

The contract/hourly rate referenced in this Statement of Work and in proposals from vendors shall constitute the total compensation of the Contractor. DRS will provide no employee benefits or any reimbursement for travel or any other expenses to the Contractor. The Contractor is engaged for the term of the contract only. No continuing working relationship is contemplated outside of the terms of this contract.

The Contractor may, during the course of his or her execution of this contract, provide services to other clients if the services to other clients:

- (1) Is not a conflict of interest with DRS work as detailed under the General Terms and Conditions of this contract; or
- (2) Does not interfere with the Contractor's completion of the tasks and deliverables agreed to under this Statement of Work in a timely manner.

The DRS EDIMS Project Manager will act as Contract Manager for DRS and will be responsible for approval of billings submitted by the contractor and the acceptance of deliverables.

4 DELIVERABLES

The tasks/deliverables identified in this document are subject to the review of the DRS EDIMS Project Manager as to satisfactory accomplishment. The contractor's tasks and deliverables will include:

4.1 DELIVERABLE: DEVELOP AND GAIN APPROVAL OF QA PLAN –

In conjunction with the EDIMS Project Manager, Assistant Project Manager and the DRS Internal QA Manager, develop and gain Executive Sponsor approval of a QA Plan that specifically defines the various review components, roles and responsibilities, and schedule for each of the proposed reviews and/or other monitoring methods.

4.2 DELIVERABLE: PERFORM PROJECT QUALITY ASSURANCE (QA)

REVIEWS –

Conduct periodic reviews of the DRS EDIMS project and related agency activities for management, risk, progress and controls, with documented findings and recommendations for the DRS Strategic Initiatives Manager, the EDIMS Project Manager and the DRS Internal QA Manager, toward any corrective action(s) to achieve success for the remainder of the project.

Anticipated review points will be no less frequent than the end of the following project phases:

1. business requirements
2. systems design
3. systems construction
4. testing
5. implementation
6. final

DRS may also request one additional review, to occur at any time during the life of the project, from January 2000 to June 2000 (five months).

4.2.1 PERFORM QA REVIEWS OF RELATED ACTIVITIES –

Related activities will be part of each review. Related activities will include activities performed by a System Integrator selected to develop and install the Imaging System for DRS. These reviews are to provide an independent and objective evaluation of these related activities and their progress toward achievement of the overall project goals, schedule and product quality. Written reports will be provided to the DRS Strategic Initiatives Manager and the EDIMS Project Manager with documented findings and recommendations toward corrective action to achieve project success. Any identified issue will be discussed with the EDIMS Project Manager and Strategic Initiative Manager, to determine the risk involved and recommend corrective actions.

4.2.2 PRODUCE STATUS REPORTS –

On a semi-monthly basis, the Contractor will provide a written report to the project

oversight members (DRS Strategic Initiatives Manager, Executive Sponsors and the EDIMS Project Manager) outlining current/anticipated QA activities and providing an overall perspective on the project's progress/issues.

4.2.3 PARTICIPATE IN THE DEVELOPMENT AND IMPLEMENTATION OF CORRECTIVE ACTIVITIES –

Based on the findings and recommendations from the QA reviews and other monitoring methods, the Contractor will:

- work with the EDIMS Project Manager to develop and implement the recommended steps for corrective actions and recommendations for who and how those corrective actions will be made in: 1) the project plan and/or, 2) other project activities.

4.3 DELIVERABLE: PERFORM FINAL QA REVIEW –

The Contractor will provide a QA review of the overall project to verify that proper procedures were followed and that test results indicate the application/process will meet client's expectations and business needs as per scope of each phase for: 1) Pilot and, 2) Basic Imaging. Based on this review, the Contractor will provide the DRS Strategic Initiatives Manager and the EDIMS Project Manager with documented findings and recommendations of activities required to satisfactorily complete the project.

5 MINIMUM KNOWLEDGE AND EXPERIENCE

Each proposal developed in response to this RFP is to include a complete response to all of the numbered items listed below. Proposals must respond to the RFP requirements by restating the number and text of the requirement in sequence and writing the response immediately after the requirement statement. If responses to the requirements include cross-references to vendor information, the cross-references must refer to a specific page and paragraph. Failure to provide the information specified in this section will result in disqualification.

(M) Mandatory [candidate must have]

(D) Desirable [would like the candidate to have]

- 5.1 Experience in conducting quality assurance reviews and analysis of agency level projects containing systems development activities involving an outside vendor / system developer. [Include number of months for each engagement.] (M)

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- 5.2 Experience in the development and implementation of quality and testing strategies for major corporate level systems. (M)
- 5.3 Experience in the development and implementation of corrective action plans for existing projects. (M)
- 5.4 Three (3) professional references who can attest to experience in the above three areas. (M)
- 5.5 Describe any unique management approaches or practices you believe distinguish and differentiate your services from other contractors / vendors / consultants. (D)
- 5.6 Respond to and describe how you propose to approach, conduct your reviews, and interact with EDIMS Project Manager, Project Staff and independent System Integrator during the project engagement period. (D)
- 5.7 Describe or list what tools, applications or software you have used in your QA engagements up to this point in time. (M)
- 5.8 Provide an hourly rate for your professional services pertaining to this RFP for each person who will be involved in the reviews. (M)
- 5.9 Concisely summarize (in bulleted format) your overall business objectives for the:
1) next year and, 2) next 2 to 5 years. (D)
- 5.10 List what, if any, new tools, applications or software you would use in this particular engagement. (D)
- 5.11 Provide a summary of your experience in Project Management and/or Analysis and Systems Development with imaging systems or document management areas. List engagement / client and duration of each engagement. (D)
- 5.12 Provide a summary of your experience presenting QA findings and recommendations to Executive Management. (D)
- 5.13 Provide a summary of your knowledge and experience working within the DIS/Washington State project oversight environment. (D)

6 SCHEDULE

The period of performance of this Contract will be from date of signing through June 2000, unless extended by mutual written agreement of both parties. DRS is interested in starting this contract as quickly as possible. As a result, availability will be considered when evaluating the proposed individuals.

7 PAYMENT PROCESS

Based on the QA Plan, to be developed as the first project deliverable, a schedule for subsequent deliverables and associated costs for each will be developed. Payments will be made based upon successful completion of each deliverable and the review and acceptance of those deliverables by the DRS Contract Manager or designee.

8 SELECTION PROCESS

Vendors must supply DRS the resume, an hourly rate, availability date, and any other pertinent information for candidates they feel meet the mandatory (M) and desired (D) requirements outlined in section 5 of this document. The combination of resume and additional pertinent information must document why the firm feels the candidate meets the requirements for this engagement.

Proposals must identify a fixed cost for the initial QA plan and a “not to exceed” contract maximum amount based upon their billing rate and the total time anticipated to complete the work outlined in Section 4 of this document. The initial QA plan will further define tasks and deliverables and assign a fixed price to each, the total of which cannot exceed the contract maximum amount. If additional tasks and deliverables are identified after acceptance of the original QA plan, they will be negotiated and contract terms will be amended.

The total cost for the original contract will not exceed \$25,000. Proposals for higher

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amounts will not be accepted.

All responses should be sent to the DRS RFP Coordinator at the address, e-mail address or fax number provided below and must be received by **4:30 pm, local time, January 3, 2000.**

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Evaluation and selection of candidates will start on **January 4, 2000**. DRS will establish an Evaluation Committee to evaluate the proposals. Based on the results of that review DRS may conduct interviews and perform reference checks for those candidates that are deemed viable by the Evaluation Committee. It will be the Evaluation Committee's responsibility to select the best candidate(s) based on:

- knowledge,
- skills,
- experience,
- availability,
- compatibility with the organization,
- quality of references,
- hourly rate and proposed total cost

DRS reserves the right to contact references other than those supplied by the vendor and use the results in evaluating the candidates. After a complete review of all proposals, if the Evaluation Committee feels one candidate is significantly more suited for the position than the others proposed, the Committee may decide not to conduct individual interviews to accelerate the process.

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